

INSTRUCTIONS FOR CHAPTER 11 QUARTERLY FEES

All Chapter 11 cases are subject to a quarterly fee. This fee helps fund the operation and maintenance of the courts of the United States.

The fee must be paid to the Clerk, U. S. Bankruptcy Court for every quarter (including any fraction thereof), from the time the petition is filed until the date of entry of an order dismissing, converting or closing the case. The fee is applicable to each and every case commenced under chapter 11 regardless of whether the case has been administratively consolidated with any other case.

The obligation to pay quarterly fees begins on the day the case is filed and ceases when the case is no longer pending in chapter 11. i.e., when a final decree is entered closing the case or when the case is either converted or dismissed. **Cases pending even one day during a quarter will be required to pay the fee applicable to that entire quarter.**

The debtor is responsible for the prompt and full payment of this fee. The amount varies depending upon the dollar value of **all disbursements** made during the portion of the calendar quarter the case is pending in chapter 11; however, a minimum fee of \$250 is due each quarter even if no disbursements are made during the quarter.

All quarterly fees must be paid before a chapter 11 plan can be confirmed. Section 1129(a)(12) of the Code states: "The Court shall confirm a plan only if all of the following requirements are met. All fees payable under Section 1930, as determined by the court at the hearing on the confirmation of the plan, have been paid or the plan provides for the payment of all such fees on the effective date of the plan."

Please make all checks payable to "Clerk, U. S. Bankruptcy Court." Payments may be made with firm or corporate check, money order or certified check. **No personal checks will be accepted.** The debtor's case number should be written on the face of the check and the check should be attached to the Quarterly Fee Statement and filed with the clerk. Direct all correspondence and questions regarding your account to the office of the Bankruptcy Administrator.

If any check is returned marked "Insufficient Funds", all future quarterly fee payments must be made by cashier's check, certified check or money order.

QUARTERLY FEE SCHEDULE

Disbursements per quarter	Quarterly Fee
Less than \$15,000	\$250
Total \$15,000 to less than \$75,000	\$500
Total \$75,000 to less than \$150,000	\$750
Total \$150,000 to less than \$225,000	\$1,250
Total \$225,000 to less than \$300,000	\$1,500
Total \$300,000 to less than \$1,000,000	\$3,750
Total \$1,000,000 to less than \$2,000,000	\$5,000
Total \$2,000,000 to less than \$3,000,000	\$7,500
Total \$3,000,000 to less than \$5,000,000	\$8,000
Total \$5,000,000 or more	\$10,000

QUARTERLY FEE DUE DATES

Quarter	Ending	Due Date for Payment
1st Quarter Jan-Feb-Mar	March 31	April 15
2nd Quarter Apr-May-June	June 30	July 15
3rd Quarter Jul-Aug-Sept	September 30	October 15
4th Quarter Oct-Nov-Dec	December 31	January 15

It is the debtor's independent responsibility to ensure these fees are paid on or before the due date. The debtor will receive no bill.

QUARTERLY FEE STATEMENTS

Fed. R. Bankr. P. 2015(a)(5) requires that a debtor-in-possession file with the Bankruptcy Court a statement of disbursements made during the calendar quarter, the amount of quarterly fees owed and the amount of fees paid to the Clerk, U. S. Bankruptcy Court. The Quarterly Fee Statement (See attachment) must be filed with the Bankruptcy Court on or before the 15th day of the month after the end of each calendar quarter. **The check for the quarterly fees should be attached to the statement and filed with the court.** *Even if a plan has been confirmed, this report must be timely submitted by all chapter 11 debtors until the case has been converted, dismissed or closed.*

If you seek to voluntarily dismiss your case, you must tender a copy of the check, payable to the Clerk, U. S. Bankruptcy Court, representing payment of the quarterly fee, together with a completed Quarterly Fee Statement to the U. S. Bankruptcy Administrator's representative attending the hearing on dismissal. Failure to tender the quarterly fee may result in the U. S. Bankruptcy Administrator's opposing dismissal of the case and requesting its conversion to a Chapter 7 liquidation.

COLLECTION ACTIONS

Please take notice that a chapter 11 debtor's failure to pay quarterly fees pursuant to 28 U.S.C., Section 1930 has significant legal consequences. The U. S. Bankruptcy Administrator may move for dismissal or conversion of your chapter 11 case. Additionally, please be advised that, pursuant to the Debt Collection Improvements Act of 1996, Public Law 104-134, Title III, Section 31001(i)(3)(A), 110 Stat. 1321-365, codified at 31 U.S.C. Section 3701, et seq., the U. S. Bankruptcy Administrator may use the debtor's Taxpayer Identification Number ("TIN") as reported by the debtor or debtor's counsel in connection with the chapter 11 bankruptcy proceedings for the purpose of collecting and reporting on any delinquent debt, including chapter 11 quarterly fees.

The U. S. Bankruptcy Administrator may provide the debtor's TIN to the Department of Treasury for its use in attempting to collect overdue debts. Treasury may take the following steps: (1) submit the debt to the Internal Revenue Service Offset Program so that the amount owed may be deducted from any payment made by the federal government to the debtor, including but not limited to tax refunds; (2) report the delinquency to credit reporting agencies; (3) send collection notices to the debtor; (4) engage private collection agencies to collect the debt; and (5) engage the U. S. Attorney's office to sue for collection. Collection costs will be added to the total amount of the debt.

POST CONFIRMATION QUARTERLY REPORTS

Although monthly operating reports are not required for periods after confirmation, the debtor or other plan proponent is required to submit and file quarterly reports on the status of plan payments. The first post confirmation report is due within 60 days from the date of the confirmation order and quarterly thereafter until further order of the court. For example, if the case confirms on June 20, the final operating report covers the period from June 1 to June 20. The first post confirmation report on the status of plan payments will be due on August 20.

Questions regarding these instructions and reporting requirements should be referenced to the Bankruptcy Administrator. The Office of the Bankruptcy Administrator reserves the right to require additional information as may be necessary to the administration of the case.